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DATED JANUARY 9, 2004](#)

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COUNTY OF LOS ANGELES EMERGENCY MEDICAL SERVICES COMMISSION

5555 Ferguson Drive, Suite 220 · Commerce, CA 90022
(323) 890-7545 FAX (323) 890-8536

January 6, 2004

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**SUBJECT: PUBLIC HEARING ON “THE PERFECT STORM” – THE IMPENDING
CRISIS IN EMERGENCY MEDICAL SERVICES IN LOS ANGELES
COUNTY**

The Emergency Medical Services Commission (EMSC) is appointed by the Los Angeles County Board of Supervisors to act in an advisory capacity to the Board and to the Director of Health Services relating to the delivery of emergency medical services countywide. Among others, this includes the duty to acquire and analyze information necessary to measure the impact and the quality of emergency medical services.

On November 13, 2003, the EMSC conducted a Public Hearing about a “perfect storm” of factors coalescing to adversely impact emergency medical services in this County. A Summary of the Public Hearing and a complete copy of the Public Hearing Transcript are attached. The Public Hearing and the Commission’s regularly scheduled meeting of November 19, 2003 resulted in the following motions and recommendations to the Board of Supervisors, the Director of Health Services, and the EMS Agency:

1. Recommend the Board of Supervisors go forward to support the State ballot initiative sponsored by the Coalition to Preserve Emergency Care [to increase the surcharge on telephone calls made within California to fund 9-1-1 emergency dispatch, emergency rooms, trauma centers and emergency doctors].
2. Support the ongoing State emergency services appropriation to protect funding for physician call panels (AB 1762).
3. Request the State Department of Health Services to provide clarification on the monitoring process for nurse staffing ratios; and an opinion on Title 22 and potential conflicts with Federal law and EMTALA, specifically as they relate to nurse staffing ratios.

4. Support legislation to develop or expand additional nursing programs to educate more nurses in the State of California.
 5. Instruct the EMS Agency to distribute copies of the Public Hearing transcript to all members of our State legislature who are representatives of Los Angeles County.
 6. Direct the EMS Agency to work with the Department of Health Service, or any other agencies, to bring back recommendations on how best to organize a study process of the broader issues impacting the County EMS system.
 7. Recognizing that there is evidence that nurse staffing ratios improve patient care, the EMS Commission must convey to the Board of Supervisors that the implementation of the nurse staffing ratios may result in the closure of inpatient beds resulting in a backup in emergency departments and ultimately, a backup into the prehospital setting resulting in a deleterious impact to public safety.
- At their November 19, 2003 meeting, the commissioners approved modifications to motions passed by the Commission at the Public Hearing on November 13, 2003.

From the attached Summary of the Public Hearing, it is clear that several factors potentially reduce the quality and availability of emergency medical services in Los Angeles County. These factors include reductions in Medi-Cal reimbursement, which impacts the hospitals' ability to maintain physician call panels; nurse staffing ratios, which could reduce inpatient beds, resulting in backup into the emergency department (ED) and the prehospital setting; the growing number of uninsured patients, which increases the use of the ED as a primary care provider; shrinking public hospital and clinic capacity; and the creation of downstream effects such as increased ambulance diversion, long waits in the ED for medical evaluation and care, and a dilution in the number of available advanced life support units (ALS) as paramedics await an open bed in the ED.

The Commission and EMS field providers strongly emphasize the potential negative consequences to the public if base and receiving hospitals elect to leave the system because they cannot meet the nurse staffing ratios, if physicians no longer take call because they won't be reimbursed for their services, or if paramedics are unable to respond to incoming calls because they are delayed in an ED that has no available beds. Los Angeles County faces a growing population, a rising number of uninsured, an increased demand for emergency care, and the daily potential of an explosive, biological or chemical terrorist event. It will be impossible to ensure an efficient prehospital and terrorism response without sufficient hospitals and EDs adequately staffed with physicians and nurses, to accept patients from ALS units responding in a timely manner to the public's calls for help.

Board of Supervisors
January 6, 2004
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The EMS Commission wishes to communicate its concerns to the Board of Supervisors and requests its attention to help resolve these problems.

Respectfully submitted,

A handwritten signature in black ink that reads "Mark Costa". The signature is written in a cursive, flowing style.

Mark Costa, Chair
Emergency Medical Services Commission

MC:cb

Attachments

cc: Director and Chief Medical Officer, Department of Health Services
Chief Administrative Officer
County Counsel
Auditor Controller
Executive Officer, Board of Supervisors
Each Commissioner
Acting Director, Emergency Medical Services Agency
Healthcare Association of Southern California
Los Angeles County Medical Association
Director, California Emergency Medical Services Authority

SUMMARY OF THE PUBLIC HEARING

The Perfect Storm – The Impending EMS Crisis In Los Angeles County

November 13, 2003

Background:

The Emergency Medical Services Commission (EMSC) has become increasingly concerned about the many factors impinging on the Los Angeles County emergency medical system; factors that could potentially close inpatient beds, backup the emergency departments and extend outward into the prehospital setting. A year ago, the EMSC expressed concern about the diminishing emergency department resources in the County, the increase in hospital diversion hours, and the length of time that 9-1-1 providers wait at busy hospitals to turn over patient care to hospital personnel. Since then, other factors have emerged to affect the system such as mandated nurse staffing ratios, State budget reductions in Medi-Cal reimbursement, public clinic closures, increased hospital diversion hours and growing numbers of uninsured patients who utilize the emergency departments (EDs) for primary care.

Based on the significant and cumulative adverse impacts that some of these factors could have on the system, the EMSC directed the EMS Agency to organize a public hearing to educate the public about potential changes in the delivery of emergency medical services.

The EMSC conducted the Public Hearing on November 13, 2003 in the Board of Supervisors' Hearing Room. Fourteen commission members and two commissioners-elect attended the Hearing, demonstrating the critical nature of the topic. The Public Hearing agenda is included in Exhibit I.

Impact Evaluation Reports:

Information prepared by the EMS Agency clearly indicates that hospitals and 9-1-1 field providers will be negatively affected by any reduction in the number of inpatient beds or the loss of emergency departments as a result of the hospitals' inability to meet nurse staffing ratios. Public and private emergency departments have already been impacted by the closure of public clinics as demonstrated by the rise in the total number of reported ED visits, which has increased 3.3% since 1999. ED visits to County hospitals decreased during those four years but increased at private hospitals. If inpatient beds are closed and if EDs are unable to move admitted patients into hospital beds, EDs will quickly back up with patients waiting for medical care that, in turn, will ripple into the prehospital arena.

ED usage, including walk-in patients, prehospital transports and base radio call volume, is trending upward with patients who are both older and sicker. A 7% increase in 9-1-1 transports occurred in one year and the majority of those transports required an advanced life support (ALS) level of care. Paramedic base hospitals recorded a 32% increase in their radio volume over a five-year period. Trauma patients increased 13% over two years. Hospital requests for diversion of 9-1-1 ALS ambulances rose steadily in the last nine years and then fell in 2003, largely due to concerted efforts to heighten awareness about the consequences of increased ambulance diversion. Additional statistical tables and graphs are in Attachment I.

Summary of Testimony:

Approximately 235 people attended the Public Hearing. Elected officials who testified included Gloria Molina, Supervisor, First Supervisorial District; Mark Ridley-Thomas, Assembly Member for the 48th District; and Rosalind Escobar for Senator Gloria Romero.

Supervisor Molina described the impact of the County's uninsured rate, which is 30% higher than the rest of California, and recapped the Supervisors' efforts to ensure a financially safe healthcare system. She stressed that the County partners with the private sector to provide a comprehensive trauma and emergency care system; so that when the County is financially overwhelmed, its private partners are also affected. She also discussed the impact of Senate Bill 2, and the proposed ballot initiative to increase the surcharge on telephone calls made within California to fund 9-1-1 emergency dispatch, emergency rooms, trauma centers and emergency doctors.

Mark Ridley-Thomas agreed with Supervisor Molina that there is a looming crisis but said the State's fiscal problems prevented the Legislature from contributing the resources needed to improve the quality of emergency medical services. He said that if the Legislature had not held the line, proposed budget cuts would have eliminated Medi-Cal coverage of durable medical equipment, reduced the number of physicians who accept Medi-Cal patients, and increased the State's uninsured population by half a million. He then reviewed proposed legislation that would have helped maintain the safety net but was defeated due to budget cuts.

Rosalind Escobar spoke for State Senator Gloria Romero, reminding the audience of the Senator's traditionally strong advocacy for trauma centers and EDs. As Chair of the California Emergency Medical Services Subcommittee, Senator Romero has long been aware of the extent of the issues and has been steadily working on legislation to improve funding.

Following the legislators, members of an expert panel testified and took questions from the moderator. The panel consisted of a public hospital system administrator, a physician, a private hospital association administrator, and the chief of a large urban fire department. The panelists agreed about the critical nature of the issues. One particular speaker sparked attention by describing an EMS system decimated by budget cuts as being composed of "hockey puck hospitals" (full-service hospitals) and "doughnut hole hospitals" (facilities that reduced services because financial constraints left them unable to fully meet their community's needs). Subsequent speakers picked up this analogy and it quickly became descriptive shorthand for the devastating effects of financial cutbacks.

Eleven presentations by scheduled speakers followed the expert panelists. Physician speakers testified about the impact of Medi-Cal reimbursement reductions on physician call panels, described a trauma surgeon's experience, outlined the devastating cutbacks in medical care for children, and enumerated the challenges faced by doctors working at public and private hospitals. A hospital CEO spoke about having to plan for a reduction in inpatient beds because the hospital can't hire enough nurses to fill the available positions despite offers of bonuses and increased salaries. An EMS administrator testified about the similarity of the issues throughout the State and the budgetary impact on the EMS system statewide. Testimony followed about the efforts of clinics to alleviate the burden on hospital EDs and the net effect of budget cuts, which will force clinics to do less. The scheduled speakers concluded with comments from a community activist. Testimony about nurse staffing ratios was then taken from five audience members.

The audience comprised doctors and nurses, hospital representatives and EMS administrators, EMS field providers and concerned citizens. Several audience members demonstrated support for

nurse staffing ratios, reiterating that ratios are now “the law” and must be implemented as scheduled on January 1, 2004. Nursing union representatives disputed the hospitals’ assertions that they cannot fill empty positions due to a nursing shortage. The unions countered that higher salaries and improved working conditions would bring nurses back into the profession. They also denied that a nursing shortage exists, asserting that many nurses are actually returning to clinical practice due to the presence of ratios and an improved work environment.

The following **key points** were made during the Hearing:

- The delivery of emergency medical services to the population of Los Angeles County is a collaborative effort between the public and private sector. The potential closure of public or private hospitals, or the reduction of inpatient beds, threatens the survivability of EMS services at their current high level of quality.
- The full effect of the implementation of nursing staff ratios in January 2004 is not yet known but may have a negative effect on the number of available inpatient beds countywide. This, in turn, backlogs EDs and creates a backup into the prehospital setting.
- A stable source of funding for emergency medical services is critical to the delivery of high quality patient care.

A complete transcript of the proceedings will be available in January.



County of Los Angeles
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DAVID E. JANSSEN
Chief Administrative Officer

January 9, 2004

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**EMERGENCY MEDICAL SERVICES COMMISSION'S RECOMMENDATIONS TO
ADDRESS THE IMPENDING CRISIS IN EMERGENCY MEDICAL SERVICES
(ITEM NO. 38, AGENDA OF JANUARY 13, 2004)**

Item No. 38 on the January 13, 2004 Agenda is a report from the Emergency Medical Services Commission (EMSC) on the November 13, 2003 public hearing hosted by the Commission to examine the impending crisis in emergency medical services in Los Angeles County. As a result of the hearing, the Commission developed seven recommendations, three of which address either a proposed State ballot measure or legislative issues and are the focus of this memo. The recommendations are to support 1) the State ballot initiative sponsored by the Coalition to Preserve Emergency Care, 2) the ongoing State emergency services appropriation to protect funding for physician call panels, and 3) legislation to develop additional nursing programs and to expand existing programs to educate more nurses in the State of California.

Support "The 911 Emergency and Trauma Care Act"

The State ballot initiative sponsored by the Coalition to Preserve Emergency Care, known as "the 911 Emergency and Trauma Care Act," would increase the surcharge on telephone calls made within California to fund 911 emergency dispatch, emergency rooms, trauma centers and emergency doctors. The measure is in circulation until January 12, 2004, and has yet to qualify for the November ballot. If enacted, the initiative would be effective January 1, 2005. Among the sponsors of the measure are the California Healthcare Association, the California Medical Association, the California Primary Care Association, and the American College of Emergency Physicians of California.

The measure would increase the 911 surcharge by 3 percent to 3.7 percent on telephone calls made within California. Although there have been no formal analyses of the initiative proposal, a California Medical Association newsletter notes that it would raise an estimated \$600 million to \$800 million annually. The measure would cap the cost of the surcharge for residential telephone customers at a maximum of 50 cents per month and exempt senior citizens and others who are on basic life-line rates. However, the cap on residential customers does not apply to mobile telephone services.

The measure would allocate the revenue as follows: 60% to emergency and trauma hospital services, 30.5% to emergency and trauma physician services, 5% to community clinics which provide urgent and primary care services, 3.75% to emergency and trauma first responders and paramedics, and 0.75% to the 911 emergency telephone systems. The funding for hospital, physician and clinic services would reimburse the costs of care rendered to uninsured and underinsured patients.

The Department of Health Services/Emergency Medical Services (DHS/EMS) indicates that this ballot initiative will help to address the emergency medical services crisis by: 1) increasing funding to overcrowded emergency departments to help them meet the growing demand for emergency care, 2) helping to fund community clinic care for the uninsured, which would provide some relief for emergency department overcrowding, 3) reimbursing emergency physicians and on-call specialists for uncompensated care, which will help to ensure that physicians continue to participate on call panels and provide emergency medical services, 4) providing funds to train more paramedics and equip Advanced Life Support units to ensure timely prehospital care to all parts of the County, and 5) helping the County-operated hospitals continue as the healthcare "safety net" by ensuring a steady funding stream for indigent and uninsured care. **Therefore, DHS recommends that the County support the State ballot initiative sponsored by the Coalition to Preserve Emergency Care, known as "the 911 Emergency and Trauma Care Act."**

Historically, the County has supported emergency medical and trauma care funding. For example, the County sponsored Measure B in 2002 which raised property taxes for emergency and trauma care, and SB 726 (Romero), which would provide the County with the authority to pursue a local alcohol tax for similar purposes. **However, because there is no existing County policy regarding increasing the telephone surtax to fund emergency medical services, support for this measure is a matter for Board policy determination.**

Support Ongoing State Appropriations for Emergency Medical Services

AB 1762, the budget trailer bill addressing health issues in the 2003-04 State Budget, included a \$25 million appropriation for distribution to physicians providing uncompensated

emergency services. The County supported this budget appropriation consistent with existing legislative policy to support proposals to provide permanent, stable funding for the County's public and private emergency and trauma care system. This policy was reaffirmed in the State Legislative Agenda for the second year of the 2003-04 State Legislative Session approved by the Board on December 16, 2003. Because this funding will help hospitals maintain current levels of trauma and emergency services by ensuring that physicians will continue to participate on call panels, **DHS recommends that the County support ongoing State appropriations for Emergency Medical Services, and we concur.**

Support Legislation to Develop and Expand Nursing Programs

The Department of Health Services/Emergency Medical Services indicates that expanding educational programs, developing innovative approaches to attract students to nursing, and supporting them through the program, will help to decrease the nationwide nursing shortage and ensure adequate nursing staff for the future.

Historically the County has supported a number of measures which were intended to increase the availability of nursing staff. For example, the County sponsored SB 885 (Polanco) in the FY 2001-02 Legislative Session seeking a \$3 million State appropriation for the Los Angeles County College of Nursing and Allied Health to expand the program and help to address the nursing shortage in California. However, SB 885 died in the Senate Education Committee without a hearing.

Consistent with existing County legislative policy to support State funding for the Los Angeles County College of Nursing and Allied Health, and enhanced funding for nursing education and training at public universities and teaching hospitals, **DHS recommends that the County support legislation to develop additional nursing programs and to expand existing programs to educate more nurses in the State of California, and we concur.**

DEJ:GK
MAL:JF:MS:hg/n

c: Executive Officer, Board of Supervisors
County Counsel
Department of Health Services



COUNTY OF LOS ANGELES
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET
LOS ANGELES, CALIFORNIA 90012-2713

LLOYD W. PELLMAN
County Counsel

January 16, 2004

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TO: SUPERVISOR DON KNABE, Chairman
SUPERVISOR GLORIA MOLINA
SUPERVISOR YVONNE BRATHWAITE BURKE
SUPERVISOR ZEV YAROSLAVSKY
SUPERVISOR MICHAEL D. ANTONOVICH

FROM: LLOYD W. PELLMAN
County Counsel

RE: **Report on State Ballot Initiative on 9-1-1 Emergency and Trauma Care**

Item 38 on the agenda of January 13, 2004, was a recommendation by the Los Angeles County Emergency Medical Services Commission that your Board support the State ballot initiative sponsored by the Coalition to Preserve Emergency Care which would increase the surcharge on telephone calls made within California to fund 9-1-1 emergency dispatch, emergency rooms, trauma centers and emergency doctors (Initiative). Your Board continued this item for one week and requested that my office provide a report on the Initiative.

Specifically, based on our conversations with the Chief Administrative Office, it is our understanding that your Board has inquired as to whether the allocation of funds under the Initiative may supplant existing state funding for emergency services, and whether the State can divert funds from the Initiative for reimbursement for administrative costs.

Supplantation of Existing Funding

Under the terms of the Initiative, a surcharge of 3% on top of current charges (up to an additional limit of \$.50 per month for residential users) would be imposed on intrastate telephone calls. The express terms of the Initiative provide that these funds shall be used to supplement existing levels of Federal, state and local funding and not supplant existing levels of funding. Thus, it is clearly the intent of the Initiative that its funding should not replace existing funding.

As background, there have traditionally been three statutory statewide sources of emergency services funding: (1) general fund allocation

under the State Trauma Care Services Fund; (2) the Maddy Emergency Services Fund (Maddy); and, (3) the California Healthcare for Indigents Program (CHIP). Currently, there are no state general funds allocated for this fiscal year, nor are there any proposed in the Governor's budget for the next fiscal year. As such, there is no issue regarding the State attempting to ignore the Initiative's intent and supplanting general fund contribution. Funding under Maddy is earmarked for emergency or trauma services and does not allow the state discretion to divert that money to other purposes. Thus, the State could not use Initiative funding to supplant that funding stream. Finally, CHIP does provide the State with discretion as to funding allocations, which is evidenced by the significant reduction in funding over the past many years. Therefore, the State could conceivably attempt to supplant CHIP funding with funds from the Initiative. However, as we stated, the Initiative clearly prohibits such supplantation and therefore an effort at supplantation could be challenged.

Reimbursement for Administrative Costs

Pursuant to the Initiative, 4.5% of the funding would be appropriated to two state agencies for technological and service improvements in the emergency phone number system and for training and equipment for firefighters and pre-hospital emergency medical workers. Of the remaining funds, 5% would be allocated to eligible community clinics for care to uninsured patients, 30.5% would be allocated to emergency and trauma physicians for uncompensated care, and 60% would be allocated to emergency and trauma hospital services for uncompensated care.

Community Clinics

The Office of Statewide Health Planning and Development is charged with administering the distribution of funds to community clinics. Any actual administrative costs incurred are reimbursed from the monies allocated for community clinics, but not to exceed 1% of the allocated amount per fiscal year.

Emergency and Trauma Physicians and Hospitals

The Initiative establishes a state Emergency and Trauma Physician Services Commission under the California Department of Health Services (Department) for administration of the statewide reimbursement process for emergency and trauma physicians and hospitals. The members of this Commission are appointed by the Governor and State Legislature. Any actual costs of administration incurred by the Department for physician disbursements would be recovered from the funds allocated for physicians, but not to exceed 4% of the allocated amount per fiscal year, unless the Commission approves a different percentage as necessary for efficient administration. It should also be noted that the Initiative revises existing administration of funding under Maddy

and CHIP such that reimbursement to physicians under these statutes would no longer be administered by the County, but would instead fall within the authority of the Department. While not entirely clear, our reading of the Initiative indicates that the reimbursement to the State for administering the physician disbursement under Maddy and CHIP would be limited to the same 4% cap. Finally, any actual costs incurred for administration of hospital disbursements would be recovered, but not to exceed 1% of the allocated amount for the fiscal year.

In lieu of state administration, a county may apply for delegated authority to administer the physician reimbursement process for the Initiative, Maddy and CHIP. The Department, with the approval of the Commission, would be free to establish terms and conditions upon delegating this responsibility to a County. The delegation would continue for up to a three year period, with re-application required thereafter. In so doing, the County would be responsible for receiving the funds from the Department and disbursing the funds to eligible physicians for certain unpaid claims and for services rendered to the uninsured. Similar to the State, a County would be reimbursed for the costs of such administration, but not to exceed 4% of the allocated funds, unless a different percentage is approved by the Commission. It should be noted that disbursements to eligible hospitals under the Initiative would remain with the Department.

If you have any questions, please contact Deputy County Counsel Edward A. Morrissey of my office at 974-1554 should you have any questions.

LWP:EAM:jm

Enclosure

c: David E. Janssen
Chief Administrative Officer

Violet Varona-Lukens, Executive Officer
Board of Supervisors

Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer
Department of Health Services

Fred Leaf
Chief Operating Officer
Department of Health Services



County of Los Angeles
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DAVID E. JANSSEN
Chief Administrative Officer

March 12, 2004

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: David E. Janssen 
Chief Administrative Officer

**EMERGENCY MEDICAL SERVICES COMMISSION'S RECOMMENDATIONS TO
ADDRESS THE IMPENDING CRISIS IN EMERGENCY MEDICAL SERVICES
(ITEM NO. 70, AGENDA OF MARCH 16, 2004)**

Item No. 70 on the March 16, 2004 Agenda is a report from the Emergency Medical Services Commission (EMSC) on the November 13, 2003 public hearing hosted by the Commission to examine the impending crisis in emergency medical services in Los Angeles County. At the Board meeting of January 20, 2004, the item was continued pending qualification of the State ballot initiative recommended for support by the EMSC (known as the 911 Emergency and Trauma Care Act), and for additional information about the initiative.

As a result of their November 2003 hearing, the EMSC developed seven recommendations, three of which address either a proposed State ballot measure or legislative issues, and are the focus of this memo. The recommendations are to support 1) the State ballot initiative sponsored by the Coalition to Preserve Emergency Care, 2) the ongoing State emergency services appropriation to protect funding for physician call panels, and 3) legislation to develop additional nursing programs, and to expand existing programs to educate more nurses in the State of California.

This memo provides additional information about the 911 Emergency and Trauma Care Act initiative. Our previous report on EMSC recommendations is attached.

Status of the 911 Emergency and Trauma Care Act

The 911 Emergency and Trauma Care Act initiative sponsored by the Coalition to Preserve Emergency Care would increase the surcharge on telephone calls made within California to fund 911 emergency dispatch, emergency rooms, trauma centers, and emergency doctors. The measure is in circulation until April 12, 2004, and has yet to qualify for the November ballot. (Our memo of January 8, 2004 incorrectly noted the deadline as January 12, 2004.) In order to qualify, the measure needs 598,105 signatures.

Revenue and Allocation Provisions of the 911 Emergency and Trauma Care Act

Under current law, the State imposes a surcharge on each monthly telephone bill, including mobile telephones, and the revenues are deposited into the State Emergency Telephone Number (911) Account. The 911 Account is used to reimburse government agencies and telephone companies for equipment and related costs associated with the California 911 system.

The current surcharge is applied to all charges for intrastate telephone calls, and has a floor of 0.5 percent and a cap of 0.75 percent. Each year, the California Department of General Services determines the surcharge rate based on an estimate of the costs of the California 911 system. The current surcharge rate is 0.72 percent, and does not apply to lifeline telephone service or coin-operated telephones. The surcharge is collected via monthly telephone bills and generated an estimated \$132.5 million in 2003-04. Over the past number of years, increases in 911 Account revenues have been attributable to increased mobile telephone usage.

The 911 Emergency and Trauma Care Act initiative would increase the 911 surcharge by 3 percent. The measure would cap the cost of the overall surcharge for residential telephone customers at a maximum of 50 cents per month and exempt senior citizens and others who receive lifeline service. However, the cap on residential customers would not apply to mobile or commercial telephone users. The Legislative Analyst has estimated the 3 percent increase in the surcharge would generate about \$550 million annually.

The measure would allocate the revenue as follows: 60% (\$330 million) to emergency and trauma hospital services, 30.5% (\$167 million) to emergency and trauma physician services, 5% (\$27.5 million) to community clinics which provide urgent and primary care services, 3.75% (\$20.6 million) to emergency and trauma first responders and paramedics, and 0.75% (\$4.1 million) to the existing 911 Account. The funding for hospital, physician, and clinic services would reimburse the costs of care rendered to uninsured and underinsured patients, and the funding for first responders is targeted for training and equipment.

Amendments and Supplantation and the 911 Emergency and Trauma Care Act

While the overall intent of the 911 Emergency and Trauma Care Act initiative is to increase funding to specific health care providers and programs, the measure does contain a provision allowing the Legislature to amend the Act by statute to "further its purposes" subject to a four-fifths vote. Other than this provision, the initiative does not address any potential future increases or decreases in the new surcharge, or changes to program priorities.

With respect to supplantation, as previously reported to the Board by County Counsel on January 16, 2004, the initiative prevents the State from using the proceeds of the measure to supplant existing State funding streams, but does allow the State to recoup certain costs associated with administering the new Act, subject to a cap.

Status of Litigation Against the City of Los Angeles Concerning its Tax on Wireless Services

Your Board inquired of the status of a lawsuit involving the City of Los Angeles and whether the issues raised by the parties would clarify which governmental agency (i.e., the California Public Utilities Commission or the Federal Communications Commission) has jurisdiction over wireless companies and whether a state may tax long distance wireless calls to another state or country. County Counsel has advised that the basis for the suit does not address these issues, but rather involves a dispute as to whether the City may revise the method of calculating a utility users tax ("UUT") on wireless services. County Counsel has advised that the City had required wireless companies to pay a UUT based on the monthly access charges of cellular phone users. However, in August 2002, a newly enacted Federal law authorized local jurisdictions to tax wireless telephone services if the place of primary use is within its jurisdiction, and regardless of where a wireless call originates or terminates. As a result, the City of Los Angeles instructed wireless companies to revise their UUT calculations based on each user's full cellular telephone bill. In September 2003, Verizon and AT&T Wireless filed suit against the City alleging that the revised instructions for calculating the UUT requires voter approval pursuant to Proposition 218. This matter is still pending and County Counsel has indicated that it will continue to monitor the litigation in the event that the parties may raise other issues clarifying the questions raised by your Board.

DEJ:GK
MAL:JF:ib

Attachment

c: Executive Officer, Board of Supervisors
County Counsel
Department of Health Services



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

May 14, 2004

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

Board of Supervisors
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Fifth District

**EMERGENCY MEDICAL SERVICES COMMISSION'S RECOMMENDATIONS TO
ADDRESS THE IMPENDING CRISIS IN EMERGENCY MEDICAL SERVICES
(ITEM NO. 79, AGENDA OF MAY 18, 2004)**

Item No. 79 on the May 18, 2004 Agenda is a report from the Emergency Medical Services Commission (EMSC) on the November 13, 2003 public hearing hosted by the Commission to examine the impending crisis in emergency medical services in Los Angeles County. At the Board meeting of March 16, 2004, the item was continued pending qualification of the State ballot initiative (known as the 911 Emergency and Trauma Care Act) recommended for support by the EMSC. Previously, my office has provided the Board with additional information about the initiative which is attached.

As a result of its November 2003 hearing, the EMSC developed seven recommendations, three of which address either a proposed State ballot measure or legislative issues. The recommendations are to support 1) the State ballot initiative sponsored by the Coalition to Preserve Emergency Care, 2) the ongoing State emergency services appropriation to protect funding for physician call panels, and 3) legislation to develop additional nursing programs, and to expand existing programs to educate more nurses in the State of California.

Status of the 911 Emergency and Trauma Care Act

The 911 Emergency and Trauma Care Act initiative sponsored by the Coalition to Preserve Emergency Care would increase the surcharge on telephone calls made within California to fund 911 emergency dispatch, emergency rooms, trauma centers, and emergency doctors. According to media accounts, proponents submitted sufficient signatures to

qualify for the November ballot. County elections officials are currently verifying the signatures before forwarding them to the Secretary of State. On April 7, 2004, the California Healthcare Association, one of the members of the Coalition, announced it was withdrawing participation in the ballot initiative campaign because recent research and polling results suggested that the timing is not right for placing the initiative before voters.

The Department of Health Services (DHS) recommends the County support the initiative because it would provide new funding to stabilize emergency and trauma care locally. However, because there is no existing County policy regarding increasing the telephone surtax to fund emergency medical services, support for this measure is a matter for Board policy determination.

Funding for Physician Call Panels

AB 1762, the budget trailer bill addressing health issues in the 2003-04 State Budget, included a \$25 million appropriation for distribution to physicians providing uncompensated emergency services on physician call panels. Physician call panels are lists of physicians who agree to be on call to provide emergency medical services at specific hospitals. The County supported this budget appropriation consistent with existing legislative policy to support proposals to provide permanent, stable funding for the County's public and private emergency and trauma care system. This policy was reaffirmed in the State Legislative Agenda for the second year of the 2003-04 State Legislative Session approved by the Board on December 16, 2003. Because this funding will help hospitals maintain current levels of trauma and emergency services by ensuring that physicians will continue to participate on call panels, **DHS recommends that the County support ongoing State appropriations for Emergency Medical Services, and we concur.**

Funding for Nursing Programs

The Department of Health Services/Emergency Medical Services indicates that expanding educational programs, developing innovative approaches to attract students to nursing, and supporting them through the program, will help to decrease the nationwide nursing shortage and ensure adequate nursing staff for the future.

Historically, the County has supported a number of measures which were intended to increase the availability of nursing staff. For example, the County sponsored SB 885 (Polanco) in the FY 2001-02 Legislative Session seeking a \$3 million State appropriation for the Los Angeles County College of Nursing and Allied Health to expand the program and help to address the nursing shortage in California. However, SB 885 died in the Senate Education Committee without a hearing. The County is currently supporting AB 2989 (Corbett) which would extend the maximum amount of time CalWORKs recipients

Each Supervisor
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who are enrolled in registered nursing programs may receive aid. The County is seeking amendments to the bill to also apply the extension to recipients enrolled in Licensed Vocational Nursing programs, and to require nursing program graduates to work in underserved areas for at least two years after graduation. AB 2989 is awaiting a hearing date in the Assembly Appropriations Committee.

DHS recommends that the County support legislation to develop additional nursing programs, and to expand existing programs to educate more nurses in the State of California, and we concur. Support for such legislation is consistent with existing County legislative policy to support State funding for the Los Angeles County College of Nursing and Allied Health, and enhanced funding for nursing education and training at public universities and teaching hospitals.

DEJ:GK
MAL:JF:MS:ib

Attachment

c: Executive Officer, Board of Supervisors
County Counsel
Department of Health Services



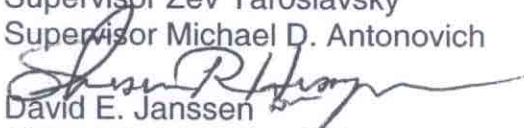
County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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(213) 974-1101
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DAVID E. JANSSEN
Chief Administrative Officer

June 10, 2004

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: 
David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**EMERGENCY MEDICAL SERVICES COMMISSION'S RECOMMENDATION TO
SUPPORT THE EMERGENCY AND MEDICAL SERVICES INITIATIVE (ITEM NO. 96,
AGENDA OF JUNE 15, 2004)**

Item No. 96 on the June 15, 2004 Agenda is the recommendation from the Emergency Medical Services Commission (EMSC) to support the Emergency and Medical Services Initiative. This recommendation was included in the Commission's report on the November 13, 2003 public hearing to examine the impending crisis in emergency medical services in Los Angeles County. On May 18, 2004, your Board supported six of the Commission's recommendations included in that report and continued the portion relating to support of the ballot initiative until the initiative had qualified for the ballot. Minutes from that hearing and copies of memos previously provided to the Board with additional information about the initiative are attached.

The Emergency and Medical Services Initiative

The Emergency and Medical Services Initiative, sponsored by the Coalition to Preserve Emergency Care, has qualified for the November 2, 2004 General Election ballot. The initiative would increase the surcharge on telephone calls made within California to fund 911 emergency dispatch, emergency rooms, trauma centers, and emergency doctors. The measure would increase the 911 surcharge by 3 percent. It would cap the cost of the overall surcharge for residential telephone customers at a maximum of 50 cents per month and exempt senior citizens and others who receive lifeline service. However, the cap on residential customers would not apply to mobile or commercial telephone users.

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June 10, 2004
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The California Association of Public Hospitals estimates the annual proceeds from the initiative will total \$420 million and will be allocated as follows: 60 percent (\$252 million) to emergency and trauma hospital services, 30.5 percent (\$128 million) to emergency and trauma physician services, 5 percent (\$21 million) to community clinics which provide urgent and primary care services, 3.75 percent (\$16 million) to emergency and trauma first responders and paramedics, and 0.75 percent (\$3 million) to the existing 911 account. The funding for hospital, physician, and clinic services would reimburse the costs of care rendered to uninsured and underinsured patients, and the funding for first responders is targeted for training and equipment.

Counties are estimated to receive \$84.6 million. Of that amount, Los Angeles County is expected to receive \$39.5 million.

Historically, the County has supported emergency medical and trauma care funding. For example, the County sponsored Measure B in 2002 which raised property taxes for emergency and trauma care, and SB 726 (Romero), which would provide the County with the authority to pursue a local alcohol tax for similar purposes.

The Emergency and Medical Services Initiative is supported by the California Medical Association, California Chapter of the American College of Emergency Physicians, California Primary Care Association, California Professional Firefighters, Emergency Nurses Association of California, and various community clinics. It is opposed by SBC Communications, T-Mobile USA, Sprint Corporations, AT & T Wireless, Verizon, California Taxpayers Association, California Chamber of Commerce, Compton Chamber of Commerce, Cudahy Chamber of Commerce, Lakewood Chamber of Commerce, and the Harbor City Chamber of Commerce, among others.

The Department of Health Services recommends that the County support the initiative because it would provide new funding to stabilize emergency and trauma care locally. However, because there is no existing County policy regarding increasing the telephone surtax to fund emergency medical services, support for this measure is a matter for Board policy determination.

DEJ:GK
MAL:MS:hg/g

Attachments

c: Executive Officer, Board of Supervisors
County Counsel
Department of Health Services



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held May 18, 2004, the Board took the following action:

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The following item was called up for consideration:

The Emergency Medical Services Commission's recommendation to support the State ballot initiative sponsored by the Coalition to Preserve Emergency Care, to increase the surcharge on telephone calls made within California to fund 9-1-1 emergency dispatch, emergency rooms, trauma centers and emergency doctors; and approve the following related actions:

Support the ongoing State emergency services appropriation to protect funding for physician call panels (AB 1762);

Request the Emergency Medical Services (EMS) Agency to request the State Department of Health Services to provide clarification on the monitoring process for nurse staffing ratios; and an opinion on Title 22 and potential conflicts with Federal law and Emergency Transfer And Labor Act, specifically as they relate to nurse staffing ratios;

Support legislation to develop additional nursing programs or to expand existing programs to educate more nurses in the State of California;

Request the EMS Agency to distribute copies of the Public Hearing transcript to the Los Angeles County Legislative Delegation;

(Continued on Page 2)

Request the EMS Agency to work with the Department of Health Services, or any other agencies, to bring back recommendations on how best to organize a study process of the broader issues impacting the County EMS system; and

Convey to the Board that the implementation of the nurse staffing ratios may result in the closure of inpatient beds resulting in a backup in emergency departments and ultimately, a backup into the prehospital setting resulting in a deleterious impact to public safety.

After discussion, on motion of Supervisor Burke, seconded by Supervisor Knabe, unanimously carried, the Emergency Medical Services Commission's attached recommendations were approved with the exception of the portion relating to support of the 911 Emergency and Trauma Care Act ballot initiative which was continued four weeks to June 15, 2004.

8051804-79

Attachment

Copies distributed:

- Each Supervisor
- Chief Administrative Officer
- County Counsel
- Director of Health Services
- Director, Emergency Medical Services Agency

Letter sent to:

- Chair, Emergency Medical Services Commission